flow through the downstream systems to generate a mechanized order. (Calhoun TR 1247, 1250) Therefore, BST has failed to provide services which it can order electronically, on an equivalent basis to requesting carriers.

Problem 6: Insufficient capacity to meet demand.

The intervenors do not believe that BellSouth has sufficient capacity to meet its demand. In support of this claim, the parties have cited the following problems.

MCI contends, and witness Calhoun agreed, that due dates calculated via LENS for "conversion as specified" orders result in installation intervals greater than what BellSouth provides to itself. (Calhoun TR 1324-1327) Witness Calhoun stated that "some unexpected results on due date calculation" have resulted when an ALEC uses the firm order mode of LENS. (TR 1327) This problem caused ALECs using the firm order mode for due date calculation to receive jeopardies, which is the industry term for due dates not met. (Calhoun TR 1330)

In addition, Intermedia states that it has experienced many backlogged orders for simple resold switch "As-Is" orders submitted through manual LSRs and through EDI-PC. Witness Chase stated that since ICI began reselling services in October 1996, it has experienced hundreds of backlogged orders each month. (TR 3082,3111) Witness Chase stated that when ICI used the manual paper LSR process for submitting simple resale services, seventy percent of the time it took BellSouth more than two days to send ICI a firm order confirmation (FOC) and customer service record (CSR). Furthermore, witness Chase stated that the typical time period for receiving the FOC and CSR was ten working days, but that thirty percent of the time it would take up to four weeks to receive them. In addition, ICI stated that even when using the EDI-PC interface to process a simple switch "As-Is" order, ICI experienced a two to four week delay in receiving FOCs thirty percent of the time. (TR 3092-3093, 3112-3113)

The parties also questioned the efficiency of BellSouth's Local Carrier Service Center (LCSC). BellSouth operates two LCSCs that interface with the ALECs for interconnection, UNEs, and resale orders. (TR 676) Witness Scheye stated that BellSouth does not use the LCSC for its retail operations. Instead, BellSouth has its own organizational group that performs analogous but different functions for BellSouth's retail customers. (TR 677) In addition, witness Scheye testified that the job performed by BellSouth's LCSC employees ultimately affects BellSouth's OSS where an order requires manual intervention. (TR 676)

On March 13, 1997, an independent consultant, hired by BellSouth, submitted its evaluation of BellSouth's LCSC operations in Atlanta, Georgia and Birmingham, Alabama. The consultant, Dewolff, Boberg & Associates, Inc., stated that the company's objective ultimately was to "reduce costs while improving manager, supervisor and employee effectiveness." (EXH 22, p.53) Intermedia cited to several parts of the consultant's analysis, stating that the problems identified by the consultant were having a direct, negative impact on the ALECs. For example, the consultant concluded that excessive errors and reworks were lowering the quality of BellSouth's service due to missed dates and excessive lead times. (EXH 22, p.56; TR 681) The consultant further stated that this "level of ineffective utilization is a result of unclear expectations, employee skills deficiencies, the lack of process documentation and control over the work flow." (EXH 22, p.56) The consultant linked these problems to BellSouth's supervisors who were described as "passive or reactionary" and who were not observed actively training employees. (EXH 22, p.58; TR 678)

After concluding the initial review of the LCSC's performance, the consultant and BellSouth conducted a 22-week study to improve the deficiencies noted in the March 13, 1997 evaluation. The study began on March 17, 1997, and was to conclude on August 15, 1997. On July 8, 1997, the consultant released the status report for the end of Phase II of the project. (EXH 22, p.36) ICI questioned witness Scheye about several of the problems identified by the consultant. The consultants found that the percentage of Local Service Requests (LSRs) that needed clarification during the week of June 25, 1997, was 64.6%. (EXH 22, p.37) In addition, the consultants stated that the average number of times that these LSRs were sent back to MCI and AT&T in order to complete the processing was 1.7 times. (Id.) Witness Scheye stated that this meant 64.6 percent of all orders submitted by AT&T and MCI needed clarification. He further stated that on average, the LCSC had to send these orders back to AT&T and MCI almost twice per order, before an error free LSR was received. (TR 685) Thus, witness Scheye concluded that BellSouth needed to provide some additional training or clarification to the carriers, so that fewer orders are submitted in error. (TR 684) Witness Scheye also stated that

BellSouth can provide ALECs with all of the training materials to provide BellSouth with accurate orders, but it is up to each ALEC to provide BellSouth with error free orders. (TR 687)

Despite the problems cited above, BellSouth believes that it has sufficient capacity to meet demand. BellSouth stated that it has estimated that it would receive 5000 orders per day on a region wide basis, 4000 of which can be supported by EDI and 1000 supported by LENS. BellSouth also stated that it expects Florida to account for 25% of the orders. (EXH 10, p.8) In addition, witness Calhoun stated that LENS was designed to handle pre-order activity in support of 5000 orders per day in the BellSouth region. (TR 1101; EXH 41) Furthermore, witness Calhoun stated that, "the combined peak daily ordering volume over the EDI and LENS interfaces has thus far been about 200 orders, which is significantly less than the current capacity of at least 5,000 orders per day." (TR 1102) Staff would note that there is no evidence in the record that documents how BellSouth derived its estimated pre-ordering and ordering capacity, nor is there any evidence estimating how many of the orders would be resale and how many would be for UNEs.

In response to the parties claims about BellSouth's LCSC, witness Scheye stated that there were problems revealed in the 22-week study. However, witness Scheye testified that the study, which ended on August 15, 1997, fixed all but one of the items identified by the consultants. The one outstanding item deals with the continuous improvement of BellSouth's LCSC. (Scheye TR 679) However, the record does not contain the final report by the consultants for the 22-week study.

<u>Problem 7</u>: Insufficient testing and test documentation

BellSouth entered 86 binders of testing information into the record as support for its compliance with the 14 checklist items and the SGAT. (Milner TR 928) The binders contain technical service descriptions, testing results, ordering procedures, provisioning procedures, maintenance procedures, and other information that BellSouth uses internally to respond to orders for UNEs and resold services by an ALEC. (Milner TR 929) Witness Milner testified that the end-to-end testing results contained within the 86 binders were performed to verify BellSouth's ability to respond appropriately to that order, whether it was submitted manually or via LENS or EDI. However, witness Milner testified that the electronic ordering systems, LENS and EDI, were not included in "end-to-end" testing processes. Witness Milner stated that "the end-to-end testing was not a test of the ordering vehicle." (TR 927-928) Further, witness Milner stated that when BellSouth conducted its end-to-end testing, BellSouth entered the instructions for the test in BellSouth's direct order entry (DOE) system, rather than in LENS or EDI. (TR 928) Witness Milner also testified that a very large amount of duplication was resident within the binders. For example, witness Milner stated that some of the documents contained in the binders were duplicated as many as 50 times. (TR 935-936) In addition, numerous places within the binders refer to draft or temporary instructions to show that BellSouth's methods and procedures are still evolving and changing. (Milner TR 929)

Staff does not believe that the internal testing results contained in the binders prove that BellSouth can actually provide the items. In addition, the testing results where not verified by an independent third party. The FCC stated in the Ameritech Order that it agrees with the DOJ on the standard for operational readiness, which is evidence of actual commercial usage. The FCC asserts that actual commercial usage is the most probative evidence of operational readiness. In addition, the FCC does not require an RBOC to ensure that ALECs are using all OSS functions available to them; however, the RBOC is charged with demonstrating that the reason an ALEC is not using a particular OSS function is strictly a business decision of the ALEC, rather than a lack of OSS function availability. The FCC states that it may consider other forms of evidence for commercial readiness if the RBOC can demonstrate why ALECs are not using all available OSS functions. The other forms of evidence that the FCC will consider, absent actual commercial usage are: carrier-to-carrier testing, independent third-party testing, and internal testing. (¶138)

Staff believes that the manner in which BST performed its internal testing is insufficient to demonstrate that its systems and processes are capable of responding to an order placed by an ALEC in a manner that is at parity with BST's own abilities. Staff believes that end-to-end testing to demonstrate that ordering and provisioning of services must be done as if an ALEC was placing the order. BST performed end-to-end testing by using its own systems to demonstrate that it can provide service. However, not only do ALECs use different interfaces, but ALECs also use different downstream databases to process orders. Therefore, BST has failed to demonstrate that ordering and provisioning functions placed through ALEC available systems do in fact, work at parity with BST's internal systems.

Ordering and Provisioning Summary

As discussed above, the intervenors cite many shortcomings with BellSouth's ordering interfaces. The problems raised by the intervenors demonstrate that BellSouth has not provided nondiscriminatory access to the ordering and provisioning functions. Based on the evidence in the record, staff has addressed the major problems presented by the parties.

LENS and EDI do not incorporate the same level of on-line edit capabilities as BST's internal interfaces. There is, therefore, a higher chance that orders will contain mistakes, which will be rejected by the downstream systems. The result of the limited edit capability, is that ALEC orders will take longer to actually be provisioned, then BST orders.

LENS and EDI do not provide an order summary screen as does RNS and DOE. This makes it very difficult and time consuming for an ALEC to verify a customer's order, while the customer is on-line. Staff believes that LENS and EDI must provide this capability.

Staff believes that the interfaces offered by BST must offer similar functionality. As stated above, pending orders placed via LENS or EDI cannot be accessed to make changes. Instead, a order must be prepared. BST's internal interfaces provide the service representative the ability to access orders pending implementation.

In order for ALECs to develop their side of the interface, they must first receive technical specifications for BST's proposed interfaces. BST has not provided such specifications to requesting carriers.

As discussed above, there are three forms of manual intervention. Staff believes each of these types of manual intervention must be eliminated before the nondiscriminatory access standard can be met. Staff believes that in order to provide nondiscriminatory access to the ordering function, BellSouth must do the following: First, BellSouth must provide an interface that integrates the pre-ordering and ordering functions; second, BellSouth must provide ALECs with the same capability to generate electronic orders for the same services that BellSouth can electronically generate for itself; and third, BellSouth must provide the technical specifications necessary to permit ALECs to link their own OSS system to BellSouth's OSS. It is BellSouth's position that ALECs need to develop their own integration capabilities. However, BellSouth has not provided sufficient technical documentation for LENS that would enable ALECs to do so.

On the first and second points the FCC concluded that "in order to meet the nondiscriminatory standard of OSS, an incumbent LEC must provide to competing carriers access to OSS functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing that is equivalent to what it provides itself, its customers or other carriers." (EXH 1, FCC 97-298, ¶130) Regarding the third point, the FCC stated that a BOC is required to provide carriers with the technical specifications that will allow ALECs to modify or design their systems such that their OSS will be able to communicate with the BOC's legacy systems. (EXH 1, FCC 97-298, ¶137) The FCC further stated that BOCs "must provide competing carriers with all of the information necessary to format and process their electronic requests so that these requests flow through the interfaces, the transmission links, and into the legacy systems as quickly and efficiently as possible." (EXH 1, FCC 97-298, ¶137)

BST has not demonstrated that its systems can process the number of orders per day that it claims it can. The consulting firm hired by BST to perform an analysis of the Local Carrier Service Center (LCSC), stated in its report that BST has missed service implementation dates. In addition, BST has experienced problems providing firm order confirmations (FOCs) in a timely manner. This results in the ALEC not knowing when service was actually implemented, and has resulted in billing statements being sent to the end user by both BST and the ALEC. Although, BST claims that it is currently receiving approximately 200 orders per day, BST has not demonstrated that it can effectively handle this low volume of orders in an accurate and timely fashion. Therefore, staff does not believe that BST can currently meet service order demand requirements.

BST has not provided sufficient test documentation to prove that it is capable of providing those services not yet requested. Staff believes that the manner in which BST performed its internal testing is insufficient to demonstrate that its systems and processes are capable of responding to an order placed by an ALEC in a manner that is at parity with BST's own abilities.

Staff would note that correction of the deficiencies listed above would not necessarily mean that BST's interfaces meet the nondiscriminatory access requirement. Staff believes that of the problems raised by the intervenors, the most serious were discussed here. Staff believes that BST has the burden to prove that all of its interfaces meet the nondiscriminatory access requirements of the Act.

3. MAINTENANCE and REPAIR

Problem 1: TAFI is a proprietary system that does not provide ALECs with machine-to-machine functionality.

Witness Bradbury stated that TAFI is a human-to-machine interface that requires a new entrant to manually enter each trouble report order into the ALEC's own OSS, because TAFI does not allow electronic communication between BellSouth's OSS and a new entrant's OSS. Therefore, AT&T states that because new entrants must manually input the maintenance and repair data twice, instead of only once, the ALECs are denied the ability to operate in substantially the same time and manner as BellSouth. (TR 2876)

Witness Calhoun agreed that TAFI was not a machine-to-machine interface. (TR 1225) However, she contends that the TAFI interface is "intelligible to a human being" using this system. (TR 1226) In addition, witness Calhoun stated that TAFI is not an industry standard; however, she states that the functionality that TAFI provides is "far superior" to the level of functionality that the industry defines in terms of exchanging information about a trouble report. (TR 1224-1225) She also stated that TAFI can be used for any trouble identified with a telephone number, including residential and simple business services, and some UNEs, such as an unbundled port, interim number portability, PBX trunks and ESSX station lines. (TR 1229)

Problem 2: The TAFI interface lacks sufficient capacity to meet demand.

AT&T stated that TAFI does not have the necessary capacity to meet the ALEC's demand. In support of this claim, AT&T stated that TAFI currently has the capacity to support 195 simultaneous users in BellSouth's region if its "hot spare" arrangement is activated. Witness Bradbury stated that this capacity is insufficient, because AT&T alone has several hundred repair attendants that would all need to be logged into TAFI at the same time, just as BellSouth's repair attendants. (TR 2877)

BellSouth stated that TAFI has sufficient capacity to meet demand. Witness Calhoun testified that TAFI currently supports 65 simultaneous users with a second processor being installed that will double the capacity. In addition, she stated that BellSouth has a "hot spare" arrangement in place that can be activated almost immediately. The "hot spare" arrangement protects against equipment failure in case one of the main processors fails, and it would increase the capacity by an additional 65 users for a total of 195 simultaneous users. Further, for every 65 users, the TAFI system can handle 1300 troubles per hour. Witness Calhoun also stated that additional processors can be added within 60 days to increase the capacity, if needed. (TR 1102-1103; EXH 10, p.8)

Maintenance and Repair Summary

Staff believes that BellSouth must provide ALECs with the technical specifications of TAFI, so that ALECs can integrate their OSS with BellSouth's OSS for maintenance and repair. This electronic communication capability does not currently exist, therefore, an ALEC must manually re-enter each trouble report into its own OSS system. In addition, staff believes that BellSouth must provide ALECs with the ability to have all of the ALECs repair attendants logged into TAFI at the same time, just as BellSouth's repair attendants, in order for the TAFI interface to meet the nondiscriminatory standard. The FCC concluded that "in order to meet the nondiscrimiatory standard of OSS, an incumbent LEC must provide to competing carriers access to OSS functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing that is equivalent to what it provides itself, its customers or other carriers." (EXH 1, FCC 97-298, ¶130)

4. BILLING

Problem 1: BellSouth cannot render accurate bills for resold services.

MCI and AT&T both cite problems with BellSouth's billing of resold services. MCI and AT&T state that BellSouth cannot render accurate bills at the appropriate discount rates set by this Commission. For example, MCI stated that BellSouth's end-to-end testing results show that Back-Up Line service, flexible call forwarding, and directory white page listings are being billed at a 12% discount, instead of the business discount rate of 16.81%. (TR 901-902; EXH 37, pp.29-31) In addition, MCI and AT&T point out that BellSouth's end-to-end testing results show that directory assistance access resale is being billed at the business discount rate rather than the residential discount rate. (TR 905; TR 924; EXH 37, p.12) AT&T also cited to the corrective action planned for this end-to-end testing result, which states that BellSouth does not plan to correct this problem until a new billing vehicle is introduced in 1998. (TR 926-927; EXH 37, p.13) Further, several of MCI's bills show that BellSouth is applying the wrong wholesale discount rate to recurring charges and that BellSouth has failed to discount non-recurring charges. (TR 909-912; EXH 36C, pp.7,32,33)

Witness Milner testified that BellSouth has billed some resold services at a 12% discount, despite this Commission's Order that BellSouth bill a 16.81% discount for business customers. He further stated that "work is in progress to properly reflect those discount levels in the billing process." (TR 902) Witness Milner also testified that BellSouth was billing the business rate rather than the residential rate on a residential line for the directory assistance access resale service. (TR 905) Witness Milner first stated that this problem would be corrected in December 1997, with the 97.4 CRIS release, and that BellSouth "will refund or credit any improperly billed amounts." (TR 925) He stated that BellSouth's Carrier Billing Service will retain customer records for bill reconciliation, but that a refund to impacted customers will not be calculated until after the correction is in place. (EXH 37, p.16) Further, witness Milner testified that until this problem is fixed, there may be some customer confusion. (TR 926) However, witness Milner later testified that BellSouth does not plan to correct this problem until a new billing vehicle is utilized in 1998, because of the expense of correcting the problem. (TR 926-927) In addition, witness Milner testified that BellSouth was applying the wrong wholesale discount rate to recurring charges and that BellSouth has failed to discount non-recurring charges on MCI's bills. However, witness Milner testified that these problems were scheduled to be corrected in Florida on September 20, 1997. (TR 909-912)

Billing Summary

As shown above, BellSouth cannot render accurate bills for resold services. BellSouth admits that it has billed the wrong wholesale discount rates, despite this Commission's Order that BellSouth bill a 16.81% discount for business customers and a 21.83% discount for residential customers. In addition, BellSouth's billing system is applying the business discount rate to a residential service. Witness Milner testified that impacted customers will be refunded, but not until a new billing vehicle is implemented in 1998. BellSouth also admitted that it is applying the wrong wholesale discount rate to recurring charges and that it has failed to discount non-recurring charges on MCI's bills. Witness Milner testified that these problems would be corrected in Florida on September 20, 1997, but there is no evidence in the record to verify that these problems have been corrected. In conclusion, BellSouth is in direct violation of Order No. PSC-96-1579-FOF-TP, and Section 251(d)(3) of the Act. (Id., p.56)

II. RESALE PROBLEMS

In addition to the above OSS problems for resale, the following problems were raised by the intervenors.

Problem 1: Voice mail service is not being provided on an unbranded basis to MCI

In addition to the OSS problems above, MCI states that BellSouth has refused to provide MCI with voice mail service for resale on an unbranded basis. MCI states that the basis for BellSouth's refusal is that "voice mail is not a 'service' to which the contractual unbranding obligation applies." (EXH 111, p.301) MCI cites to Attachment II, §2.3.10.1 of its interconnection agreement with BellSouth, which states, "MCIm shall have the right to resell BellSouth Voice Mail services." (EXH 14, Att.II, §2.3.10.1) MCI also cites Part A, §25.1 of its interconnection agreement. This section states that BellSouth will brand any and all services at every point of customer contact exclusively as MCIm services, unless MCI determines that it wants the service to be provided with no brand at all. This section further states that if BellSouth determines that it is not possible to brand operator services and directory service calls for MCIm, BellSouth will "revert to generic unbranding for all local service providers, including itself." (EXH 14, Part A, §25.1) Therefore, MCI believes that BellSouth is required to provide MCI with voice mail service on an unbranded basis.

Problem 2: Disparity in conversion of customers

ICI states that BellSouth is not providing parity with respect to customer conversions. Witness Chase testified that ICI's experience has shown that if an ICI customer wants to convert his or her service to BellSouth the customer "simply calls BellSouth and has that service switched almost instantly, with or without changes to the service itself." (TR 3066,3078) However, witness Chase states that if a BellSouth customer wants to convert his or her service to ICI, it takes two days to complete the conversion if everything works perfectly. Witness Chase further stated that a perfect conversion rarely takes place. Instead, "about one third of the time it takes between two and four weeks to achieve the conversion of basic resale services." (Chase TR 3066,3078)

Problem 3: Manual Ordering

Witness Chase testified that when ICI began reselling services in October 1996, it used a manual paper Local Service Request (LSR) form to submit orders to BellSouth. (TR 3082) Witness Chase described this process as "complex, cumbersome, time consuming and prone to errors." (TR 3050) Witness Chase further stated that BellSouth has recently made EDI available for placing orders electronically, but that ICI is still using manual processes for these orders out of necessity. (TR 3075,3084) Witness Chase testified that ICI is testing the EDI process for "Move, Add, or Change" (MAC) orders for simple services, but that this testing did not begin until August 1997. In addition, witness Chase stated that complex and designed services cannot be ordered through EDI, but must be ordered on a manual basis through the BellSouth account team. (TR 3071) Further, witness Chase stated that despite BellSouth's claim that EDI was available to ALECs in December 1996, ICI was not informed by BellSouth that EDI was available until late April 1997. (EXH 42; TR 3048) Therefore, although it is in ICI's interest to utilize BellSouth's OSS as soon as practical, the transition from manual ordering to electronic ordering is a new process that will take time. (Chase TR 3075)

In addition, witness Bradbury testified that LENS does not provide new entrants with the same electronic ordering capabilities that BellSouth provides itself. Witness Bradbury stated that in one particular central office LENS revealed in the inquiry mode that 114 different services were available. However, witness Bradbury testified that although BellSouth has the ability to order all of the 114 services, the new entrants can only order eight of the services electronically through LENS for resale. (TR 2859) Witness Bradbury further stated that new entrants must fax a service order to BellSouth "for those activities which LENS is not capable of performing." (TR 2858)

SUMMARY

Staff has separated the summary into two parts. The first part will address OSS and the second, resale.

1. OSS SUMMARY

A major area of concern with respect to the interfaces offered by BST, is the amount of manual intervention that is required on behalf of an ALEC service representative. The amount of manual intervention required when placing a non-complex order via the EDI interface is far in excess of how BST would place the same order. The primary problem is that BST does not provide a pre-ordering interface that is integrated with an ordering interface that provides these functions in essentially the same time and manner as BST's internal systems. In addition, the interface must provide the capability to interconnect the ALEC's own internal OSS to BST's OSS. BST has not provided the technical data to requesting carriers to permit the development of such interconnection. In the Ameritech Order, the FCC listed several components for the provision of access to OSS. These components include:

1. the interface, or gateway, which is used to inter-connect the ALEC's own internal OSS to an RBOC's OSS.

2. a processing link, either electronic or manual, between the interface and the RBOC's internal OSS (which includes all necessary back office systems and personnel).

3. all internal OSS or Legacy systems that an RBOC uses in providing resale to an ALEC.

According to the FCC, an RBOC must provide more than just an interface in order to comply with the nondiscriminatory access standard for OSS. BST has only partially provided part one of the three components mentioned above. BST has provided interfaces, but the interfaces do not permit interconnection to the ALEC's OSS at this time.

The FCC states that in order for an RBOC to meet the nondiscriminatory access standard, no limits may be placed on the processing of information between the interface and the legacy systems, if such limits did not permit an ALEC to perform a function in substantially the same time and manner as the RBOC performs the function for itself.

Staff believes that BST is required to demonstrate to this Commission and to the FCC that its interfaces provide nondiscriminatory access to OSS functions. Although AT&T witness Bradbury stated that there are five characteristics of a non-discriminatory interface, staff recommends that the Commission recognize four of the characteristics. Staff believes that each interface must exhibit the following four characteristics in order for it to be in compliance with the nondiscriminatory standards of the Act. They are:

1. Interface must be electronic

   The interface must require no more human or manual intervention than is necessarily involved for BST to perform a similar transaction itself.

2. Quality, Efficiency, and Effectiveness

   The interface must provide the capabilities necessary to perform functions with the same level of quality, efficiency, and effectiveness as BST provides to itself.

3. Adequate Documentation

   The interface must have adequate documentation to allow an ALEC to develop and deploy systems and processes, and to provide adequate training to its employees.

4. Sufficient Capacity

> The interface must be able to meet the ordering demand of all ALECs, with response times equal to that which BST provides itself.

The fifth requirement as discussed by witness Bradbury, is that an interface must comply with national standards. Although staff agrees that an interface should comply with national standards, there are no national standards for pre-ordering interfaces. Staff believes that requiring an interface to be in compliance with national standards should not be considered necessary to demonstrate nondiscriminatory access. Therefore, BST's proprietary interface, LENS, could have been sufficient to meet the integrated interface requirement, if it met all four of the requirements of a non-discriminatory interface. Staff believes that BST must offer a pre-ordering interface that is integrated with the industry-standard EDI interface for two reasons. First, integration of pre-ordering and ordering function must be provided simply because BST has integrated its own internal pre-ordering and ordering functions; and second, BST has declared that EDI is the ordering interface that it recommends carriers use.

In summary, staff believes that the interfaces and processes offered by BST do not permit an ALEC to perform OSS functions in substantially the same time and manner as BST performs the functions for itself. In addition, the SGAT offers the same interfaces and OSS functions; therefore, the same problems identified above are applicable to the SGAT. These deficiencies also render the SGAT non-compliant with the resale portion of the checklist.

2. <u>RESALE SUMMARY</u>

Several resale problems were raised by the intervenors that did not fall into one of the OSS categories above. First, MCI stated that BellSouth has refused to provide voice mail service for resale on an unbranded basis, as required by MCI's interconnection agreement with BellSouth. Despite this claim, BellSouth provided no evidence in this proceeding to refute MCI's position. As shown above, BellSouth is required by its interconnection agreement with MCI to provide voice mail service for resale on an unbranded basis. By refusing to do so, BellSouth has violated its interconnection agreement with MCI for providing voice mail service for resale on an unbranded basis.

Second, BellSouth is not providing parity with respect to customer conversions. As explained above, it has been Intermedia's experience that BellSouth can convert an ICI customer back to BellSouth on the same day the customer requests the switch. However, Intermedia stated that if everything worked perfectly it would take two days to switch a BellSouth customer to ICI. In addition, witness Chase testified that a perfect conversion rarely takes place, and in some cases a conversion takes between two and four weeks for basic resale services. BellSouth has not provided any evidence in this proceeding to prove that parity exists for customer conversions. In conclusion, BellSouth must provide ALECs with the ability to convert customers in the same time and manner as BellSouth converts customers for itself.

Intermedia stated that although BellSouth recommends that orders be placed using EDI, ICI must still use manual ordering. As stated above, ICI is in the process of moving to electronic ordering. However, ICI stated that BellSouth did not make EDI available until late April 1997. Therefore, ICI has not had sufficient time to complete its testing of EDI as an ordering interface. Staff believes that even though BellSouth recommends EDI for ordering, many new entrants, especially small ALECs, will utilize the manual ordering process to submit local service requests. In conclusion, staff believes, and the FCC agrees, that since manual ordering is an additional way for a new entrant to conduct business, BellSouth should not discriminate against ALECs who choose to order via manual processes. (EXH 1, FCC 97-298, ¶137)

In addition, BellSouth witness Bradbury testified that LENS does not allow new entrants to electronically order all of the services that BellSouth can order electronically. Instead, new entrants must fax service orders to BellSouth for the orders that LENS does not support. Staff believes, and the FCC agrees, that OSS functions provided to ALECs that are analogous to OSS functions that BellSouth provides itself in connection with retail service offerings must be provided to competing carriers in an equivalent manner, in terms of quality, accuracy, timeliness, and access. (EXH 1, FCC 97-298, ¶139, ¶140) In conclusion, BellSouth has not provided ordering capabilities to ALECs at parity with the ordering capabilities that BellSouth provides itself.

STAFF RECOMMENDATION

In summary, staff believes that BST has not met its duty to provide nondiscriminatory access to resale to requesting carriers. Staff agrees with the FCC that the RBOC must demonstrate that it is providing equivalent access to the OSS functions associated with pre-ordering, ordering, provisioning, maintenance and repair, and billing. (EXH 1, FCC 97-298, ¶139, ¶140)

The FCC concluded in the Ameritech order, that its requirement on RBOCs to demonstrate nondiscriminatory access to OSS functions is "achievable." The FCC stated: "We require, simply, that the BOC provide the same access to competing carriers that it provides to itself." (¶143)

BST must demonstrate to this Commission that it is providing, to requesting carriers, access to resale per the requirements of the Act. As discussed above, staff believes that BST has not met this requirement.

Based on the evidence in this proceeding, staff recommends that the Commission find that BellSouth has not met the requirements of Section 271 (c)(2)(B)(xiv). BST has failed to demonstrate that it is providing nondiscriminatory access to resold services, including access to its operations support systems functions as required by the Act, the FCC's rules, and this Commission's arbitration order.

Issue 15a: Has BellSouth developed performance standards and measurements? If so, are they being met? **(Audu)**

RECOMMENDATION: Yes. BellSouth has developed performance standards and measurements. These performance standards and measurements are in the form of performance target intervals. However, the performance target intervals that BellSouth has established are not adequate to monitor post-entry nondiscriminatory performance for Resale Services and OSS functions. **(AUDU)**

POSITION OF THE PARTIES

ACSI: BellSouth is providing service for resale but the lack of parity, insufficient OSS and absence of performance standards are not consistent with checklist compliance. Furthermore, ACSI has encountered unnecessary delays which have hindered entry into the market.

AT&T: No. The performance standards and measurements proposed by BellSouth are insufficient to demonstrate parity or nondiscriminatory access.

BST: BellSouth has developed processes for handling the ordering, provisioning, maintenance, and repair of all resold services. BELLSOUTH has also put organizations and processes in place to ensure that service standards are met.

FCCA: No. BellSouth has not developed sufficient standards and has not provided measurements of its own performance. Absent sufficient standards and information concerning BellSouth's own performance, neither ALECs or this Commission can begin to assess whether BellSouth is providing parity to its competitors as required by the Act and FCC rules. For this reason alone, the Commission must inform the FCC that BellSouth has not complied with § 271.

FCTA: No position.

ICI: No. BellSouth has not developed performance standards and measurements applicable specifically to Intermedia. Such performance standards necessarily should focus on both traditional voice services and advanced data services provided by BellSouth.

MCI: No. BellSouth has not developed sufficient performance measurements to determine whether it is providing checklist items in a nondiscriminatory manner. While BellSouth has agreed to some performance measurements in its various interconnection agreements, it has not established the standards which would demonstrate parity between itself and ALECs. The limited performance data to date shows that BellSouth is not providing access to OSS functions, UNEs, or resold services in a nondiscriminatory manner.

MFS/WorldCom: No. BellSouth has not developed or produced any statistically valid performance measurements that demonstrate that the proposed operational support systems ("OSS") meet the requirements of the Act.

Sprint: No position.

TCG: TCG takes no position on this issue. However, BellSouth has the burden to affirmatively demonstrate that it has developed performance standards and measurements, and that they are being met.

STAFF ANALYSIS:

Issue 15a for all practical purposes is the same as Issue 3a. Both issues are intended to examine and validate BellSouth's claim of nondiscrimination in the provisioning of UNEs, the provisioning of resale services, and providing access to its OSS functions. The difference between these two issues is that Issue 3a deals exclusively with provisioning of UNEs and 15a deals exclusively with the provisioning of resale services. Hence, staff will examine the whole question of nondiscrimination and the relevant measuring or monitoring tools in **Issue 3a.**

Accordingly, staff recommends that BellSouth has developed performance standards and measurements. These performance standards and measurements are in the form of performance target intervals. However, the performance target intervals that BellSouth has established are not adequate to monitor post-entry nondiscriminatory performance for Resale Services and OSS functions.

operational data for comparison or study. With UNEs, BellSouth does not have retail analogues, and there is no way to tell how those target intervals are derived. Therefore, BellSouth's performance standards and measurements are not adequate to demonstrate nondiscrimination, since they are not effective in showing comparability.

Conclusion

For the reasons stated above, staff does not believe that BST's SGAT complies with Section 252(f)(2) of the Act. Section 252(f)(2) of the Act requires that the SGAT comply with Section 252(d), which requires nondiscriminatory cost based prices, and regulations for interconnection, network elements, transport and termination of traffic, and wholesale rates. As discussed above, some of the rates specified in the SGAT do not meet the requirements of the Act. Section 252(f)(2) of the Act also requires that the SGAT comply with Section 251, which defines the duties of interconnection, unbundled access, and resale. As discussed above, and in more detail in Issues 2-15, staff does not believe that BST's SGAT is fully compliant with Section 251 of the Act. For these reasons, staff does not believe that BST's SGAT complies with Section 252(f) of the Act. Therefore, staff recommends that the Commission deny BST's request for approval of its SGAT pursuant to Section 252(f) of the Act.

Attachment A

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